

SECRET

-2- 2508, APRIL 4, 6 P.M., FROM TOKYO

SIGNIFICANT DEGREE TO MASSES JAPANESE PEOPLE, IT HAS CERTAINLY COME TO BE SHARED BY TOP GOVT AND POLITICAL LEADERS. THEY HAVE SUDDENLY BECOME AWARE THAT WAR, WHICH A SHORT WHILE AGO SEEMED INFINITELY REMOTE, COULD ACTUALLY BE ONLY A FEW WEEKS AWAY. IN GENERAL, THEIR REACTION HAS BEEN THAT THIS SORT OF THING IS "FANTASTIC", THAT SOMEHOW OR OTHER THOSE CONCERNED MUST BE "BROUGHT TO THEIR SENSES" AND WAR PREVENTED. WITHOUT OFFERING ANY PRECISE SUGGESTIONS THEY FEEL THAT WE MUST DO "SOMETHING" TO PREVENT A WORLD CONFLAGRATION DEVELOPING OVER OFFSHORE ISLANDS.

D. WITHIN PAST WEEK PARTICULARLY GOVT LEADERS BOTH PUBLICLY AND PRIVATELY HAVE TAKEN OCCASION TO EXPRESS THEIR GROWING CONCERN. BOTH MATOYAMA AND SHIGEMITSU PRIVATELY TOLD SULZBURGER OF NEW YORK TIMES THAT WAR MUST NOT RPT NOT BE PERMITTED TO DEVELOP OVER THE OFFSHORE ISLANDS. SHIGEMITSU EXPRESSED SIMILAR VIEWS IN AN ADDRESS TO FOREIGN CORRESPONDENTS ON MARCH 30. HIS COMMENTS FOLLOW:

"WE CANNOT HELP FEEL DISTURBED BY THE ALARMING SITUATION WHICH NOW THREATENS THE TRANQUILITY OF THE FORMOSAN STRAITS.

"I AM AWARE OF THE COMPLEXITIES OF THE SITUATION BUT I HOPE COMMON SENSE WILL ULTIMATELY PREVAIL LEADING TO A PACIFICATION OF THIS CRITICAL AREA WHICH, IF REALIZED, WOULD I BELIEVE GREATLY CONDUCE TO THE ENHANCEMENT OF GENERAL PEACE.

"IT IS MY EARNEST HOPE THAT THERE WILL BE NO RPT NO MORE RESORT TO VIOLENCE ON ANY SORT OF QUESTION IN ANY PART OF THE WORLD."

3. EFFECT ON JAPANESE OF CONTINGENCIES IN CORRESPONDING LETTERED PARAGRAPHS REFTEL.

A. NO SIGNIFICANT REACTION. JAPANESE ASSUME GRADUAL ATTRITION OF NATIONALIST CHINA STRENGTH.

B. SOME CRITICISM OF RED CHINA FOR "RESORTING TO FORCE," ALSO OF U.S. FOR NOT "SETTLING" PROBLEM SOONER. ON WHOLE HOWEVER JAPANESE WOULD CONSIDER DEFEAT MATTER OF COURSE. U.S. FOREBEARANCE IN NOT INTERVENING LIKELY TO BE GREETED WITH RELIEF, EVEN PRAISED.

C. JAPANESE WOULD

Department of 21046

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C. JAPANESE WOULD BE DELIGHTED, AS IN TACHEN CASE ONLY MORE SO. U.S. STATESMANSHIP, DETERMINATION TO AVOID WAR WOULD BE UNIVERSALLY APPLAUDED.

D. JAPANESE WOULD LIKE THIS BEST OF ALL, THOUGH WOULD NOT WANT BE ONE OF GUARANTORS. THEY PREFER FORMOSA RETAIN INDEPENDENT STATUS IF POSSIBLE WITHOUT RISK ON THEIR PART, AND WOULD WELCOME DECREASED LIKELIHOOD OF WAR.

E. REACTION WOULD BE SERIOUS IN VARYING DEGREES DEPENDING ON SEQUEL JAPANESE STILL HAVE HEALTHY REGARD FOR US MILITARY JUDGMENT AND PROWESS WHICH WOULD BE IMPAIRED IF US INVOLVED EVEN IN LIMITED DEFEAT OF THIS KIND. ON OTHER HAND, JAPANESE OPINION WOULD BE DANGEROUSLY ALIENATED IF US RETALIATED BY ENLARGING WAR, USING NUCLEAR WEAPONS, BOMBING CITIES AND PRODUCTION CENTERS, ETC. IF WE TOOK SUCH COURSE OF ACTION, US, NOT RED CHINA, WOULD BE REGARDED AS "GUILTY PARTY." INDEED, THOUGH DEFEAT DESPITE LIMITED INTERVENTION WOULD RESULT IN SOME LOSS OF CONFIDENCE IN US, OUR "FOREBEARANCE" IN NOT FOLLOWING UP WITH ALL-OUT WAR WOULD WIN SUBSTANTIAL MEASURE OF APPROVAL.

ALLISON

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